DOCUMENT RESUME

ED 211 773 CE 031 057

AUTHOR Wolman, Jean
TITLE Getting Down to Business: Nursing Service, Module 14. Teacher Guide. Entrepreneurship Training Components.
INSTITUTION American Institutes for Research in the Behavioral Sciences, Palo Alto, Calif.
SPONS AGENCY Office of Vocational and Adult Education (ED), Washington, D.C.
PUB DATE Apr 81
CONTRACT 300-79-0535
NOTE 33p.; For related documents see CE 031 026-101 and CE 031 324.
AVAILABLE FROM Wisconsin Vocational Studies Center, 964 Educational Sciences Bldg., Madison, WI 53706 (Order No. ETC100R2, $3.00. 25% discount on 100 or more of same title. Complete set--ETC100--$200.00).

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Administrator Role; Advertising; *Business Administration; *Business Education; *Business Skills; Financial Support; Information Sources; Learning Activities; Learning Modules; Money Management; *Nursing; Recordkeeping; Salesmanship; Secondary Education; Teaching Methods
IDENTIFIERS *Entrepreneurship; *Small Businesses

ABSTRACT

This is the fourteenth in a set of 36 teacher guides to the Entrepreneurial Training modules and accompanies CE 031 056. The purpose of this module is to give students some idea of what it is like to own and operate a nursing service. Following an overview are general notes on use of the module. Suggested steps for module use contain suggestions on introducing the module, a brief discussion of the nine units, responses to learning activities, suggestions for summarizing the module, and responses to the quiz. The units are Planning a Nursing Service; Choosing a Location; Getting Money to Start; Being in Charge; Organizing the Work; Setting Prices; Advertising and Selling; Keeping Financial Records; and Keeping Your Business Successful. Each unit contains a case study; responses to individual activities; responses to discussion questions; and a group activity. Suggested readings for the teacher and a list of goals and objectives complete the module. (CT)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED211773

CE031057

AMERICAN INSTITUTES FOR RESEARCH IN THE BEHAVIORAL SCIENCES P.O. Box 1113, 1791 Arastradero Road, Palo Alto, California 94302

GETTING DOWN TO BUSINESS:

Nursing Service

Module 14

Teacher Guide

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☑ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official NIE position or policy.

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

C. Kaplan

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

The information reported herein was obtained pursuant to Contract No. 300-79-0535, Office of Vocational and Adult Education, U.S. Education Department. Contractors undertaking such projects under government sponsorship are encouraged to document information according to their observation and professional judgment. Consequently, information, points of view, or opinions stated do not necessarily represent official Education Department position or policy.

GETTING DOWN TO BUSINESS:

Nursing Service

Jean Wolman

April 1981

Developed at the American Institut for Research
under support from the
Office of Vocational and Adult Education
U.S. Education Department

TABLE OF CONTENTS

Overview 1

Suggested Steps for Module Use 4

Introduction 4

Unit 1 5

Unit 2 6

Unit 3 7

Unit 4 9

Unit 5 11

Unit 6 13

Unit 7 15

Unit 8 17

Unit 9 20

Summary 22

Quiz 23

Suggested Readings 25

Goals and Objectives 26

OVERVIEW

The purpose of these Getting Down to Business modules is to provide high school students in vocational classes with an introduction to the career option of small business ownership and to the management skills necessary for successful operation of a small business. Developed under contract to the Office of Vocational and Adult Education, U.S. Department of Education, the materials are designed to acquaint a variety of vocational students with entrepreneurship opportunities and to help reduce the high failure rate of small businesses.

As the students become familiar with the rewards and demands of small business ownership, they will be able to make more informed decisions regarding their own interest in this career possibility. It is hoped that, as a result of using these materials, some students will enter small business ownership more prepared for its challenges. Others will decide that entrepreneurship is not well suited to their abilities and interests, and they will pursue other career paths. Both decisions are valid. The materials will encourage students to choose what is best for them.

These Getting Down to Business modules are designed to be inserted into ongoing high school vocational programs in the seven vocational disciplines--Agriculture, Distributive Education, Occupational Home Economics, Business and Office, Trades and Industry, Technical, and Health. They will serve as a brief supplement to the technical instruction of vocational courses, which prepare students well for being competent employees but which generally do not equip them with skills related to small business ownership. The modules are self-contained and require a minimum of outside training and preparation on the part of instructors. Needed outside resources include only those types of materials available to all students, such as telephone directories, newspapers, and city maps. No special texts or reference materials are required. For further optional reading by instructors, additional references are listed at the end of the Teacher Guide. An annotated Resource Guide describing especially valuable entrepreneurship-related materials is also available.

The purpose of this module is to give students some idea of what it is like to own and operate a nursing service. Students will have an opportunity to learn about the kinds of activities and decisions a nursing service owner is involved in every day. While the module is not a complete "how-to" manual, the individual lessons will provide your class with the chance to practice many of these activities and decisions.

Today, owners of small businesses face many problems--some minor, some not so easily taken care of. These problems are reflections of the changes our society is going through. While this module cannot address itself to all of them, the discussion questions at the end of each unit are designed to give students an opportunity to explore possible solutions.

You may want to present this module after completing Module 1, Getting Down to Business: What's It all About? Module 1 is a 16-hour program covering a more in-depth approach to owning any small business. The terms that are introduced in Module 1 are used in this module with a restatement of their definitions. Also, the forms used are the same, with some minor changes to fit the nursing service business specifically. Module 1 provides an introduction to owning a small business in addition to some skills and activities that, due to their general nature, are not covered in this module.

Content Organization

Each unit of the module contains the following:

1. Divider Page--a list of what the student should be able to do at the end of that unit.

2. Case Study--an account of a business owner in the field.

3. Text--three to four pages outlining business management principles introduced in the case study but focused more on the student.

4. Learning Activities--three separate sections, including:

   a. Individual Activities--finding information given in the text or applying information in the text to new situations.

   b. Discussion Questions--considering broad issues introduced in the text; several different points of view may be justifiable.

   c. Group Activity--taking part in a more creative and action-oriented activity; some activities may focus on values clarification.

General Notes on Use of the Module

Instructional Time:	Each unit = 1 class period; total class periods	= 9
	Introduction, quiz, summary	= 1
	Total instructional time	= 10 class periods

The case study and text are central to the program's content and are based on the instructional objectives appearing in the last section of this Guide. Learning activities are also linked to these objectives. You will probably not have time, however, to introduce all the learning activities in each unit. Instead, you will want to select those that appear most related to course objectives, are most interesting to and appropriate for your students, and are best suited to your particular classroom setting. Certain learning activities may require extra classroom time and may be used as supplementary activities if desired.

Before presenting the module to the class, you should review both the Student and Teacher Guides and formulate your own personal instructional approach. Depending on the nature of your classroom setting and the students' abilities, you may want to present the case study and text by instructional means that do not rely on students' reading--for example, through a lecture/question-answer format. Case studies and certain learning activities may be presented as skits or role-playing situations.

No particular section of the module is designated as homework, but you may wish to assign certain portions of the module to be completed out of class. You may want students to read the case study and text in preparation for discussion in the next class period, or you may want them to review the material at home after the class discussion. You may also prefer that students read the material in class. Similarly, individual activities may be completed in class or for homework. Discussion questions and group activities are specially intended for classroom use, although some outside preparation by students may also be needed (for example, in the case of visiting a small business and interviewing the owner).

Methods that enhance student interest in the material and that emphasize student participation should be used as much as possible. Do not seek to cover material exhaustively, but view the course as a brief introduction to entrepreneurship skills. Assume that students will obtain more job training and business experience before launching an entrepreneurial career.

The quiz may be used as a formal evaluation of student learning or as a self-assessment tool for students. Answers to learning activities and the quiz are provided in a later section of this guide.

SUGGESTED STEPS FOR MODULE USE

Introduction (15 minutes, or integrate within first hour of Unit 1)

I. In introducing this module, you might wish to find out what students already know about the nursing service business.

- What kinds of occupations are related to giving nursing care to sick or elderly people (e.g., nurses, licensed vocational nurses [LVNs], nurse's aides or assistants [NAs], orderlies, etc.)?
- Where are these nursing services offered (e.g., hospitals, nursing homes, private homes)?
- What is a temporary employment service (e.g., for secretaries, typists, etc.)? What needs do they serve (e.g., fill temporary personnel needs)?

Then introduce the notion that sometimes there is a shortage of nursing people and that a nursing service is a temporary employment service for nurses.

II. Discuss small businesses briefly. Over 90% of all businesses in the United States are small businesses. In this module we will be dealing with very small businesses, meaning a self-employed owner working alone or with one to four employees. Often small businesses are owned and run by members of a family.

III. Discuss the purposes of the module:

- To increase students' awareness of small business ownership as a career option.
- To acquaint students with the skills and personal qualities nursing service business owners need to succeed.
- To acquaint students with the kind of work small business owners do in addition to using their vocational skills.
- To expose students to the advantages and disadvantages of small business ownership.

IV. Emphasize that even if students think they lack management aptitudes, some abilities can be developed. If students "turn on" to the idea of small business ownership, they can work at acquiring abilities they don't have.

Also, students who work through this module will have gained valuable insights into how and why business decisions are made. Even if they later choose careers as employees, they will be better equipped to help the business succeed because of their understanding.

Unit 1 - Planning a Nursing Service (1 class period)

I. Case Study: Ramona Diaz is thinking of opening a nursing service. She thinks about her personal characteristics and considers what she has learned about the "business" while working at a temporary nursing service.

Text: Personal Qualities
Services, Customers, and Competition
How to Compete Well
Special Business Image
Legal Requirements

II. Responses To Individual Activities

1. Any three:

a. RN
b. LVN
c. Nurse's Aide/Orderly
d. Physical or Occupational Therapist
e. Dietician
f. Social Worker
g. Home Companion
(Customers: hospitals, nursing homes, and private individuals)

2. Students will have checked items that apply to them.

3. Response depends on individual but should probably include education and experience in nursing and business skills, experience working in a nursing service, personnel, interviewing, etc.

4. Any name that suggests the services offered is satisfactory. The "catchiness" is a matter of subjective judgment.

5. Answer depends on location.

III. Responses to Discussion Questions

1. Answer might include the notion of personalized service. Any special promotional ideas to attract registrants and client facilities would be desirable. (This is a "brainstorming" question--many responses are acceptable.)

2. On positive side: Ramona's experience in nursing and in a nursing service; she likes working with people and recognizes her problems with direct care nursing; her desire to be her own boss.

On negative side: No direct business experience; lack of sufficient information about Ramona's personality.

3. Discuss points such as these: efforts to lower medical costs might lower use of more expensive temporary service; so might government refusal to cover extensive rates; improved working conditions in medical facilities could reduce need for services; reduced hospital stays could increase demand for home services.

IV. Group Activity

This activity is designed to acquaint students with a real-life nursing service owner. The principles in the text regarding the characteristics and responsibilities of nursing service owners should be reinforced by the student's personal contact with such a person.

A list of questions for the visitor is provided. The questions as listed really cover Units 1, 2, and 3 and, as such, this activity could be used at the end of Unit 3 rather than after Unit 1. In fact, this activity could be used at the very end of the module or at any time when scheduling might be more appropriate. It will probably require extra classroom time. A question-and-answer period should be provided.

Unit 2 - Choosing a Location (1 class period)

I. Case Study: Ramona finds out that, in addition to the nursing service where she had worked herself, there are only two other small nursing services in the area. She locates potential customers and chooses an office convenient to nursing staff.

Text: General Location Area
Many Nursing Facilities
Shortage of Nursing Staff
Specific Office Location
Central, Convenient

II. Responses to Individual Activities

Responses to all three items will depend on each student's research. You should check out the information sources used (probably the Yellow Pages) for accuracy.

III. Responses to Discussion Questions

1. Responses should be based on the number of existing services (the higher the number, the higher the risk), the number of potential facilities in the area (the more, the lower the risk), and the responses of the facilities the students contacted. The services offered should be those for which the greatest need and least competition exist.

2. They should have located closer to Hillview or sought clients in their own location. Their office must be central and convenient to registrants.

3. Georgina's business failed because her "customers" could not afford her services. Given the status of insurance policies today, a home health registry would do better to locate in a more affluent community with a sizeable elderly population, where the number of competing services is small.

IV. Group Activity

Provide a local map of your area. Solicit from students their findings from Individual Activities 1-3. What hospitals and nursing homes did they find? Which need services? Help students locate the facilities identified on the map. Then help them draw appropriate boundaries that enclose these facilities.

Discuss the general area so defined. How large is it? Is it too large or too small to support a business? Where might possible office locations exist?

Lead students to determine where the best location would be, stressing the need for centrality (in middle of service area) and convenience (easily accessible--for example, close to a freeway rather than in a difficult-to-reach or heavily congested location).

Discuss additional things to look for: a small, low-cost office is sufficient; it need not be fancy or highly visible.

Unit 3 - Getting Money to Start (1 class period)

I. Case Study: Ramona makes a list of her starting expenses and determines the size of the bank loan she needs. Then she writes a business description to present to the bank's loan officer.

Text: Business Description
Statement of Financial Need
Starting Expenses
Funds to Cover Delayed Payroll Expenses

II. Responses to Individual Activities

1. Her management plan and strategy for success

2. a. Reason for selecting her location
b. More details about her competition (e.g., names and longevity of competing nursing services)
c. Why she thinks she'll succeed. Cite existence of staff vacancies in local facilities.

3. a. $3,600
   b. $31,000
   c. $9,000
   d. $22,000

4. a. business licenses, insurance, and accounting advice
   b. printing

5.

STATEMENT OF FINANCIAL NEED

Starting Expenses		Money on Hand	
Salaries (see below)	$27,400		
Building and Property (utilities)	600		
Repairs and Renovations	---	Cash on Hand	$ 4,000
Equipment and Furniture	2,000	Gifts or Personal Loans	5,000
Inventory or Supplies	400	Investment by Others	---
Advertising	300	TOTAL	$ 9,000
Other (business licenses, insurance, accounting advice)	300		
TOTAL	$31,000		

Salaries:		TOTAL STARTING EXPENSES	$31,000
3 months living expenses	2,400	TOTAL MONEY ON HAND	9,000
Nurses' salaries before payment is received	25,000	TOTAL LOAN MONEY NEEDED	$22,000
	27,400		

III. Responses to Discussion Questions

1. Focus on sketchiness of the description, lack of detail, omitted parts as answered above. Lender would probably have many questions for Ramona and would think she should do additional planning.

2. a. Personal background information (resume)

   b. More detailed information about Ramona's current financial situation--other money she had, debts she owed, etc.

   c. More information about Ramona's market and her chances for success. The lender might want to do some of her or his own research in this regard.

3. The payroll would be $36,000 in April. This suggests the amount Ramona requested was too low. It suggests the need for extremely careful advance planning in estimating volume of business and in establishing an adequate line of credit, if not obtaining a loan in a larger amount.

IV. Group Activity

1. Sally's expenses would be minimal, much lower than Ramona's. She would probably be able to operate from her existing home and would need to pay for phone and perhaps an answering service, business license and insurance, advertising in the classified ads, and some printing (cards, stationery) and supplies--perhaps $1,000 in all.

2. She probably could use her savings to cover her starting costs and her first month's living expenses before she began to receive income. However, if she wanted, she could probably apply for a small personal loan. She would need to provide background information, a description of her plans, and a statement of financial need, just as Ramona did. But the information would probably not have to be so carefully researched.

3. Advantages for Sally: She needs less money; incurs less risk; depends on fewer outside factors for her success or failure; can determine how and when she wants to work; can stay in closer contact with direct nursing tasks.

   Disadvantages: She has less opportunity for growth and financial reward; lacks the real "fruit" of entrepreneurship; has limited contact with other people.

Unit 4 - Being in Charge (1 class period)

I. Case Study: Ramona develops an application form and a list of interview questions. She writes a brochure for potential customers and employees. She hires 10 nursing staff and procures three customers.

   Text: Selecting Nursing Staff
   Keeping People Happy
   Good Personal Relations
   Special Benefits and Services
   Clearly Stated Policies

II. Responses to Individual Activities

1. She could get an answering machine or hire an answering service. The latter could even be trained to take client requests.

2. The list should include at least three of the following: promotion work, visiting and troubleshooting in the nursing facilities (and/or private homes), inservice training such as CPR recertification, interviewing and placement work, any other sensible response.

3. The list should include three of the following:

   a. personal appearance (e.g., neatness, cleanliness)
   b. excessive talkativeness (or the opposite)
   c. compulsive habits (smoking, nervous tics)
   d. extreme nervousness
   e. dominance or self-centeredness
   f. any other reasonable response

4. Ideas presented in the module are acceptable, but reinforce new ideas such as: bonus referral fee (or other incentive), instant pay, higher pay, frequent reviews, extra vacation, any generous fringe benefits such as paid tuition, personal visits to facilities or homes, any other reasonable idea.

III. Responses to Discussion Questions

1. Discussion should focus on Ramona's need to hire someone to help, at least part time. Other points to bring out include her need to stop the "burn-out" before it grows and the need for her to allow her business to expand.

2. Discussion should focus on Linda's clerical background and Ramona's nursing background. Ramona would probably assign Linda bookkeeping and clerical tasks and perhaps some work in answering phones and filling requests. Ramona would do promotion, interviewing, and more liaison work with clients.

3. a. Discussion should focus on tasks requiring a professional nurse, especially promotion, troubleshooting, and creating a generally professional and credible image for the nursing service.

   b. A home health agency would probably need an RN even more, because there is no professional supervisory assistance in the home as there would be in a larger nursing facility. Whereas the facility requests specifically an RN, LVN, or NA, the individual at home is not as equipped to determine his or her needs or to know when problems arise. More supervision would be needed in home health care.

4. Discussion should focus on the desirability of establishing the truth of the two new pieces of information by checking all references and calling the omitted place of employment. Drug problems are the last thing a nursing service would want to deal with.

IV. Group Activity

The purpose of this role-playing activity is to allow students to practice interviewing and personnel management skills at an elementary level. Simple situations are the basis for the role-

playing activity. The expected outcome of the activity is that students will have a clearer understanding of what is involved in these "being in charge" skills and of what it feels like to be the person in charge and/or the employee in possible true-to-life situations.

The activity can be done in small or large groups. Have students volunteer to role play, but make sure that everyone ultimately has a turn. Read each situation and briefly discuss with students any questions or comments that make the situation more vivid. Then have each pair role play the situation. Ask each how they felt in their roles and solicit from others alternative approaches.

Unit 5 - Organizing the Work (1 class period)

I. Case Study: Ramona's business is doing well, but she has trouble finding time to do her billing and bookkeeping. To get everything done, she has to keep track of work orders and develop a schedule for each day.

Text: Keeping Track of the Work
Scheduling the Work
Setting Priorities

II. Responses to Individual Activities

1.

EMPLOYEE SUMMARY FORM

Name: Linda Fine

RN___ LVN ✓ NA___ Other___

Referred by: Mary Newell

License Number: A 35401

Expiration Date: 9/81

A V A I L A B I L I T Y

Shift	MO	TU	WE	TH	FR	SA	SU
7-3	✓	✓	✓	✓	✓		
3-11	✓	✓	✓	✓	✓		
11-7							

Payroll Explained ☑

Incentives Explained ☑

Policies Explained ☑

Conditions of Employment Signed ☑

Health: TB Yes ☐ No ☑ Date___

Physical Yes ☑ No ☐ Date___

Back Problems Yes ☑ No ☐ Date___

Medications: ---

A S S I G N M E N T S

Acute: Floors ☐ Exception___

Units ☐ Preference Cardiac ICU

Other Specialty ___

COMMENTS:

2.

WORK ORDER FORM

Date of Request	Facility (or Individual)	Date Needed	Shift 7-3	Shift 3-11	Shift 11-7	Staff Assigned
4/28	Stonehaven Hosp.	4/29-5/2		✓	✓	2 LVNs
4/28	Maryview N.H.	4/29-5/2			✓	2 NAs
4/28	Stockdale Hosp.	4/30-5/2			✓	1 RN (ICU)
4/28	Maryview N.H.	4/28			✓	1 NA

3.

TIME CARD

1480	04	Stockdale	11-7	Fri.	5/2
JOB NUMBER	HOSPITAL I.D.	HOSPITAL NAME	SHIFT	ASSIGNMENT DAY	ASSIGNMENT DATE

Becky Stone	RN	0025
EMPLOYEE NAME (Please print)	CLASSIFICATION	EMPLOYEE I.D. NUMBER

SHIFT	TIME IN	MEAL OUT	MEAL IN	TIME OUT	TOTAL STRAIGHT TIME	TOTAL OVERTIME	TOTAL DOUBLE TIME	TOTAL HOLIDAY TIME	LATE CALL	TIME RECEIVED
	hrs min	hrs min	hrs min	hrs min	hrs min	hrs min	hrs min	hrs min		

NURSCARE, INC.

EMPLOYEE'S SIGNATURE

CLIENT'S SIGNATURE

4.

Time	Task
9:00	Appointment with accountant
1:00	Interview NA

Somewhere schedule should allow time for writing ad and reading the mail.

17

III. Responses to Discussion Questions

1. Appointment with accountant and new NA.

2. Ramona had to respond to all job orders.

3. Ramona might have delayed her appointment with May Blythe and written the ad.

4. Ramona should have tried to fill the Maryview order as soon as it came in. She can't afford to forget a customer.

5. By spending less time on or delaying some of her less important items (see Item 3), she could have set aside time to complete her bookkeeping, which was due at the end of the month.

IV. Group Activity

The purpose of this activity is to give students a better idea of how varied and busy an owner of a nursing service can be and to learn to prioritize and schedule.

Try a brainstorming approach in soliciting ideas of tasks. Write all suggested ideas down; eliminate inappropriate or unlikely ones later. Try to encourage ideas not yet mentioned in the module, e.g., reading current relevant nursing/business publications, responding to mail, developing a new form or brochure, etc.

Unit 6 - Setting Prices (1 class period)

I. Case Study: Setting prices for a nursing service involves understanding competitors' labor charges. Ramona lists her expenses and considers other nursing services' charges and demand for their services.

Text: Customer Demand
Competition
Operating Expenses
Profit

II. Responses to Individual Activities

1. The response depends on the student's experience and your geographical location.

2. 10%. This is not a strict arithmetic problem. It is usual for markups to be similar percentages across-the-board, especially if overall inflation is 10%.

3. RNs--$11.81; LVNs--$9.31; NAs--$6.28.

4. b. Your customers will be attracted to your lower prices, especially since you are new. You shouldn't charge too little, however. You want to show a profit.

III. Responses to Discussion Questions

1. The response is not clearcut. On the one hand, Ramona probably could have charged the going rate and gotten away with it because of the high demand for services. At the same time, she was new in the business. To distinguish herself, she might do better still to undercut the competition and attract some business away from them. If she's the lowest priced, she'll probably do better than her initial estimates. Her profits will be greater than $12,000, and she can afford to wait to raise her prices.

2. Some of the reasons nursing services pay more than hospitals or nursing homes are as follows:
   a. To attract nurses to work for them.
   b. To compensate for the lack of guaranteed employment, lack of a consistent nursing rate, lack of fringe benefits, and for having to work at less desirable times, when more staff shortages exist.

3. Your profits will clearly sag if your level of activity stays the same. It will probably be necessary for you to:
   a. try to increase volume; and
   b. hold operating expenses down as much as possible.
   On the other hand, having contracts with hospitals may encourage them to use you more, which will increase volume and offset your rising costs.

IV. Group Activity

The purpose of this activity is two-fold: (1) to expose students to a different method of operating and pricing, and (2) to give case study practice in pricing.

Present the different pricing strategies and then the case study. Lead the group toward the following types of responses:

1. George could probably raise the price for NAs because of the strong demand (to say, $5 to make numbers easy). He also might lower the fee (to say, 10%) to attract nurses.

2. a. Using Ramona's methods and the prices set in item 1, figure profits as follows ($5 and 10% used as examples only):

25 nurses X 1000 hours X $5/hour =	$100,000
10% X $100,000 =	10,000
Operating Expenses -	6,000
Profit =	$ 4,000

b. George must increase volume in order to increase profits. Feel free to manipulate the variables as you choose to elicit more possibilities from students; e.g., if George's competition lowers its fees, what must George do, etc?

3. Advantages might include the following: simpler business operations (e.g., no hiring and payroll responsibilities); lower starting and operating costs due to simpler operations (e.g., no need for money to cover delayed payroll expenses).

Disadvantages might include collection problems and nurses not wanting the responsibility of collecting from patients, paying the nursing service, managing their own taxes, social security and insurance.

Unit 7 - Advertising and Selling (1 class period)

I. Case Study: Ramona advertises her nursing service in the Yellow Pages and in the local newspaper. She uses other forms of advertising, too, to contact hospitals and nursing homes in the area.

Text: Selling to Customers
Attracting Nursing Staff

II. Responses to Individual Activities

1. The letter should include a description of Nurscare's services (RNs, LVNs, NAs), fees (from case study), any special features (e.g., personalized, prompt service), and should mention that a follow-up phone call will be made.

2. Responses such as these are appropriate:

a. good benefits (e.g., insurance, education, paid vacation)
b. flexible hours, choice of type and amount of work
c. convenient location
d. top pay, prompt pay (e.g., "instant pay")

3. The ad should include one or more of the features listed in Item 2 above, in addition to the basic descriptive information included in the existing ad.

4. a. C
b. B
c. B
d. C
e. A
f. D

III. Responses to Discussion Questions

1. Discussion should focus on the need for a personalized introduction that will set your business apart from others. Having an RN do the visits creates a professional business image. If Ramona visits customers, she must leave the office with the telephone unattended (unless she gets an answering service). To run an office and do initial promotion, it would be advisable to have more than one person working.

2. If John repeats the letters, he should probably send them to fewer and more carefully selected doctors who would be more likely to have patients needing home care (i.e., doctors in charge of elderly or handicapped patients). The letters should be marked "Personal" to improve their chances of reaching the doctor. On the other hand, John might be better off not repeating the letter approach, except where he had some personal connection. He might instead try to make very selective appointments to visit doctors, just as a prescription drug salesperson might do. Better yet, he should freely distribute his business card to any potentially interested people (e.g., at hospitals, professional meetings, church). Of course, he should advertise in the Yellow Pages and in the want ads. He might also visit senior citizens groups or other groups that might provide referrals to his service.

3. Jani should advertise under "Job Wanted" in the daily newspapers. The ad should be simple, including her phone number, special training, or assets (such as her car and her certificate). Her work preference (day companion for elderly) should also be included. She might personally contact a few local hospitals, doctors who would have elderly patients, or convalescent facilities (those that send patients home after their convalescence). She might advertise in any local senior citizens' publications.

   Since her job need is so specialized, she would not advertise in the Yellow Pages, but would have a more personalized and specialized approach.

   She should herself look in the want ads under "Help Wanted" for personal ads requesting home assistance. She could even apply for work to a nursing service or home nurses' registry.

IV. Group Activity

The purpose of this activity is to expose students to different types of ads and to help them see the characteristics and the advantages and disadvantages of each.

You will need to select several appropriate ads for this activity. Locate four or five ads for nursing services ("Nurses

and Nurses' Registries") from your local Yellow Pages. Select ads that differ on the following variables: size, services (include at least one specifying home services), appeal (to customers vs. nursing people), small business vs. franchise, visual appeal.

Give students 5-10 minutes to study the ads. Then pose the questions provided and solicit responses such as the following:

1. Ad A probably cost the most and ad E the least because of size.

2. Services B, C, and D provide home care. Analysis of the ads' content indicates what types of services are offered.

3. Ads A, B, and D appeal more to nursing facilities (or customers) because they stress kinds of services, promptness of service, 24-hour availability, etc. Ad C is clearly appealing to the nurses.

4. A, D.

5. Response is subjective. Try to solicit as many different opinions as possible.

If time permits, pose any other questions that seem of interest to the group. Perhaps have them make a composite "perfect" ad.

Unit 8 - Keeping Financial Records (1 class period)

I. Case Study: Financial records are the basic records of any business. Ramona uses three: a customer billing form, an item-by-item listing of services provided, and a daily cash sheet.

Text: Customer Billing Form
Daily Cash Sheet

II. Responses to Individual Activities

1.

SERVICES PROVIDED						
Name	Job Class.	Date	Shift	Number of Hours	Rate	Amount Charged
Becky Stone	RN	5/31-6/4	11-7	40	$12	$ 480
Linda Fine	LVN	6/ 2-6/4	3-11	24	10	240
Rory Jones	LVN	6/ 2-6/4	11-7	24	10	240
Tammy Ruiz	NA	6/ 3-6/4	11-7	16	8	128
Fran Tildon	RN	6/ 3-6/4	11-7	16	12	192
Max Ingee	NA	6/ 4-6/6	3-11	24	8	192

2.

NURSCARE CUSTOMER BILLING FORM

Customer: Stonehaven Hospital

Date	Dates of Service	Amount Charged	Payment Received	Balance
6/6	5/31-6/6	$1472	---	$1472

3.

DAILY CASH SHEET

Cash Receipts		Cash Payments	
Cash Sales		Salaries	$2296
Stonehaven	$1240	Building Expenses	---
Stockdale	1080	Equipment and Furniture	---
Maryview	960	Inventory or Supplies	165
		Advertising	26
		Other (taxes)	94
TOTAL CASH RECEIVED	$3280	TOTAL CASH PAYMENTS	$2581

4.

NURSCARE

CUSTOMER BILLING FORM

Customer: Maryview Nursing Home

Date	Dates of Service	Amount Charged	Payment Received	Balance
5/23	5/17-5/23	$ 842	---	$ 842
5/30	5/24-5/30	960	$842	960
6/ 6	5/31-6/ 6	1124	960	1124
6/13	6/ 7-6/13	976	---	$2100

III. Responses to Discussion Questions

1. Discussion should include items such as the following:

   - invoices or customer billing forms from suppliers and services such as printers, utilities, supply sources, newspapers, lawyer, accountant, insurance agent
   - purchase order forms from suppliers
   - checks and check stubs
   - income tax and other government forms
   - time cards from employees

2. Discussion should focus on the retail business' need for sales slips, sales and sales tax records, inventory sheets for keeping track of inventory, and possibly credit card forms and receipts to keep track of credit sales.

3. Discussion should be directed to include at least the following points:

   - the need to know how the business is doing for current and future planning purposes, including decisions on pricing, services, profits; and
   - the need for accurate records for accounting and tax purposes and for banking--e.g., for establishing a line of credit and obtaining loans.

IV. Group Activity

The purpose of this activity is to provide students an opportunity to analyze some financial records--in this case, the billing records. Though perhaps exaggerated, this example illustrates a not uncommon problem in small businesses--collection problems.

Responses to the questions should be along these lines:

1. The pattern shows no payments received and continually increasing balances due.

2. The form shows a repeated failure to pay by Porter Memorial. Its balance due is growing, and its use of services seems to continue.

3. Certainly an inquiry and request for payment to Porter is in order. If payment is not forthcoming, you should stop offering services until payment is made. Help from a lawyer or collection agency may ultimately be needed.

Point out to students that customers in real business typically have more than a week to pay and are probably not billed weekly. This case is shown as a simple example, and the repeated failure to pay does indicate a problem.

Unit 9 - Keeping Your Business Successful (1 class period)

I. Case Study: The business has been operating for two years. Ramona takes a look at its performance each year and plans changes to make it more profitable.

Text: Profit/Loss Statement
Profit Ratio and Expense Ratio
Increasing Net Profits

II. Responses to Individual Activities

1.

TWO-YEAR PROFIT/LOSS STATEMENT

	Year 1		Year 2	
	$	%	$	%
Revenues				
Hospital Sales	115,440		132,756	
Nursing Home Sales	78,240		37,856	
TOTAL	193,680	100%	170,612	100%
Expenses				
Salaries	135,576		127,958	
Building Expenses	3,654		4,176	
Supplies	476		458	
Advertising	1,872		1,564	
Other	2,523		1,022	
TOTAL	144,101	Expense Ratio = 74%	135,178	Expense Ratio = 79%
Net Profit	49,579	Profit Ratio = 26%	35,434	Profit Ratio = 21%

2. First year

3. $37,579

4. 100%--because profits - expenses = income

III. Responses to Discussion Questions

1. Apparently Ramona's goals were realistic. Within weeks she had signed up three hospitals and eleven nurses, and she was able to keep about 16 employed during her first year. Her profits were far larger than she expected. She seems established in the community, and her banker would look favorably at her record.

2. Ramona thrived on her business and wanted it to succeed. Even though she still had profits, she was rightly concerned about a downtrend. She wanted to reverse the decline.

3. Responses are many and may include the following:

   - reduced demand for services
   - inadequate supply of nurses
   - lower billing rates as a result of customer-enforced contracts
   - inability of customer to afford nursing services
   - improved working conditions in medical facilities that lure nurses away from temporaries

IV. Group Activity

The purpose of this activity is to give students practice in analyzing profit and loss factors in a specific business situation. In this case, they must find a solution to Ramona's declining profits and nursing home problem by analyzing the facts presented here and in the case study.

Lead students to discuss the following.

1. Implications of the new facts:

   a. Nursing home billings won't improve.

   b. Ramona has a chance to get new customers and staff from her former competition.

   c. There may be a need for home nursing services.

   d. Ramona may be able to better promote business if she has help--but can she afford it?

   e. Ramona can't afford to redecorate now.

2. Possible solutions:

   a. Drop nursing home business.

   b. Add home nursing services.

   c. Increase promotion efforts to get competitors' customers.

   d. Hire an assistant to free Ramona to do other things.

   e. Keep costs down.

Summary (30 minutes)

If desired, the Quiz may be given prior to summarizing the module and doing wrap-up activities.

Emphasize major points of the module such as:

- Running a nursing service is a small business opportunity for a person interested in nursing and health care, but it must be planned and located carefully for it to be successful.

- Previous nursing and business experience and a genuine liking of people are helpful qualities for a nursing service owner to have.

- Hiring and keeping top quality nursing staff is a key part of running the business well.

- Keeping the customers--hospitals, nursing homes, private individuals, etc.--satisfied with your service is also vitally important.

- The needs of your customers and nurses may change over time. Knowing how to analyze the business and to make necessary changes are important ways to keep the business successful.

Remind students that their participation in this module was intended as an awareness activity so they could consider entrepreneurship as a career option. Their introduction to the skills required for successful small business management has been brief. They should not feel that they are now prepared to go out, obtain a loan, and begin their own business. More training and experience are necessary. You can suggest at least these ways of obtaining that experience: one way is to work in the business area in which they would eventually want to have their own venture; another is to go to school (community colleges are starting to offer AA degrees in entrepreneurship).

This is a good time to get feedback from the students as to how they would rate their experience with the module. Could they identify with the characters portrayed in the case studies? How do they feel about the learning activities?

If possible, use a final wrap-up activity to help students apply what they have learned in the module. Possible ideas include the following:

- Have students discuss or write about how they see themselves owning a nursing service now that they know more about it. If time runs short, students could do this on their own time as a means of self-assessment.

- Use one or more of the Group Activities that were not done earlier. The first one, in Unit 1, "Visit to Class By the Owner of a Nursing Service," might be particularly appropriate. Feel free to combine, expand, and adapt the activities so that students can consider a more complete picture of running a nursing service.

Quiz (30 minutes)

The quiz may be used as an assessment instrument or as an optional study tool for students. If you wish to use the quiz for study purposes, duplicate and distribute the answer key to students. In this case, student achievement may be assessed by evaluating the quality of students' participation in module activities.

Quiz Answer Key

1. a. hospitals
   b. nursing homes
   c. private individuals (doctors, clinics, private industry would also be acceptable)

2. a. truly likes people
   b. is reasonable and nonjudgmental
   c. is patient
   d. is willing to work very hard
   e. is able to handle problems at work

3. a. do research before starting
   b. offer unique services that other nursing services don't offer
   c. establish a professional, personalized image

4. b

5. a. need for nursing staff in possible locations
   b. the competition in each location

6. c

7. a. kinds of services provided
   b. business location
   c. competition
   d. potential customers
   e. plan for success

8. $25,575

9. b

10. c

11. a. develop good personal relations
    b. offer special services or benefits
    c. have clearly stated policies

12. d

13. b

14. c

15. b

16. c

17. Include four of the following:
    a. name of customer
    b. date(s) of service
    c. amount charged
    d. payment received
    e. balance due
    f. date of bill

18. a

19. a. $30,000
    b. 20%
    c. 80%

20. a. increase sales
    b. raise prices
    c. lower expenses

21. a. improve the quality of her services
    b. change her services

SUGGESTED READINGS

General Entrepreneurship References

Holt, N., Shuchat, J., & Regal, M. L. Small business management and ownership. Belmont, MA: CRC Education and Human Development, Inc., 1979.

Jeanneau, J. A. Small business management: Instructor's manual (4 vols.). Prince Albert, Saskatchewan: Department of Manpower & Immigration, Training Research and Development Station, 1973.

National Business Education Association. Business ownership curriculum project for the prevocational and exploratory level (grades 7-9): Final report, Reston, VA: author, 1974.

Nelson, R. E., Leach, J. A., & Scanlan, T. J. Owning and operating a small business: Strategies for teaching small business ownership and management. Urbana, IL: University of Illinois, Department of Vocational/Technical Education, Division of Business Education, 1976.

Rowe, K. L., & Hutt, R. W. Preparing for entrepreneurship. Tempe, AZ: Arizona State University, College of Business Administration, 1979.

Nursing Service Resources

Frederickson, Keville. Opportunities in nursing. Louisville, KY.: Vocational Guidance Manual, 1977.

Acknowledgments:

Jo Ann Gehman, Director, Tiempo Professional Nursing Service

Ginger Wilson, R.N., Director, Nurserve, Inc.

GOALS AND OBJECTIVES

Goal 1: To help you plan your nursing service.

Objective 1: Describe the services, customers, and competition of a nursing service.

Objective 2: List five personal qualities a nursing service owner should have.

Objective 3: List three ways to help your nursing service compete successfully.

Objective 4: List one or more special legal requirements for running a nursing service.

Goal 2: To help you choose a location for your nursing service.

Objective 1: List two things to think about in deciding where to locate your nursing service.

Objective 2: Pick the best location for a nursing service from three choices.

Goal 3: To help you plan how to borrow money to start your nursing service.

Objective 1: Write a business description for your nursing service.

Objective 2: Fill out a form showing how much money you need to borrow to start your nursing service.

Goal 4: To help you plan how to hire employees and divide the work of your nursing service.

Objective 1: Decide how to divide the work of your nursing service among several employees.

Objective 2: Pick the best person for a specific job in your nursing service.

Objective 3: List three ways to keep your people happy.

Goal 5: To help you organize the work of your nursing service.

Objective 1: Fill out forms showing staff availability and work orders.

Objective 2: Write a work schedule for yourself or an employee.

Goal 6: To help you decide how to set prices for your nursing services.

Objective 1: Pick the best price for one of your services.

Goal 7: To help you learn ways to advertise and sell your nursing service.

Objective 1: Choose the best way to advertise your nursing service.

Objective 2: Develop a printed ad for your nursing service.

Goal 8: To help you learn how to keep financial records for your nursing service.

Objective 1: Fill out a customer billing for nursing services you provide for a customer.

Objective 2: Fill out a daily cash sheet for money you receive and pay out in one day.

Goal 9: To help you learn how to stay successful.

Objective 1: Figure out the net profit (before taxes), profit ratio, and expense ratio for your nursing service.

Objective 2: State one way your nursing service could increase its profits.

Objective 3: State one way your business could change its services to increase sales.

* U.S. GOVERNMENT PRINTING OFFICE: 1981 - 791-761/282 9-II